

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE EDMONSON COUNTY)
WATER DISTRICT TO ISSUE SECURITIES IN)
THE APPROXIMATE PRINCIPAL AMOUNT OF)
\$1,620,000 FOR THE PURPOSE OF REFUNDING)
CERTAIN OUTSTANDING REVENUE BONDS OF) CASE NO. 96-030
THE DISTRICT AND A NOTE OF THE DISTRICT)
PURSUANT TO THE PROVISIONS OF)
KRS 278.300 AND 807 KAR 5:001)

O R D E R

On February 5, 1996, Edmonson County Water District ("Edmonson County") filed an application requesting authority to issue certain securities in the approximate principal sum of \$1,620,000 for the purpose of refunding certain outstanding water system revenue bonds and a note of the District. Edmonson County estimates this refunding will result in total gross savings of approximately \$317,927 which represents a net present value savings of \$139,715. In its filing, Edmonson County requested permission to deviate from the requirements of 807 KAR 5:001, Section 11(1)(6). The deviation requested was granted by the Commission on February 14, 1996.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that Edmonson County's proposal to issue \$1,620,000 of Series 1996 Bonds is for a lawful object within Edmonson County's corporate purposes, is necessary, appropriate for and consistent with the proper performance of its service to the public, will not impair Edmonson County's ability to

perform that service, and is reasonably necessary and appropriate for such purpose.

IT IS THEREFORE ORDERED that:

1. Edmonson County is authorized to issue \$1,620,000 of Series 1996 Bonds, at an interest rate between 3.95 percent and 5.75 percent per annum.

2. Edmonson County shall issue its proposed Series 1996 Bonds only on such terms that will result in a positive net present value savings and which are consistent with its application.

3. Edmonson County shall, within 30 days after issuance of the securities, advise the Commission in writing of the date or dates of issuance of the securities, the price paid, the interest rate, the purchasers, and all fees and expenses, including underwriting discounts, commissions, and any other compensation involved in the securities' issuance and distribution.

4. The proceeds from the transactions authorized herein shall be used only for the lawful purposes specified in Edmonson County's application.

Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 11th day of March, 1996.

PUBLIC SERVICE COMMISSION

Linda K Breathitt
Chairman

Edw J Hines
Vice Chairman

Robert M. Davis
Commissioner

ATTEST:

Don Mills
Executive Director